

on a bipartisan basis. This is not a partisan issue. I do not want criminals roaming the streets, gang bangers shooting up the streets of Chicago or my hometown of Springfield. I am ready to push for more prosecution and enforcement, without question. Let's put the money into more ATF agents and more prosecutors to get that job done.

I will concede to the other side that prosecution and enforcement are important. Let's do it. This Democrat will stand with Republicans to get that done.

I ask in return that Republican Senators take a look at what we passed last year. Some, including the Presiding Officer, voted for it, and I am very proud that he did. We need more. We need to have Senators on both sides of the aisle to come forward and say, yes, trigger locks make sense; let's make them part of America's landscape to protect children; and those who will also say that gun shows should not be exempt from the basic laws of this country.

There are other things we can talk about in terms of sensible, common-sense gun control. I do not know if we will get them accomplished this year, but certainly I hope that before the first anniversary of the Columbine tragedy, this Congress will end its gridlock on the gun control issue. The people of this country expect more. They do not want to see this historic Chamber grind to a halt because of a special interest group in this town. They want to see goodwill on both sides of the aisle.

I will say this: If we fail, if we do nothing, if another day, another week, and another month go by with the tragic headlines we see so often about killings in churches and schools and day-care centers, if that happens, the American people will be justifiably angry in this election. They should hold all candidates accountable.

Members of the House of Representatives, Members of the Senate, and the two men who are likely to be the leading candidates for President of the United States—all of us, I should say—should be held accountable to answer the basic question: When you had the chance serving in the U.S. Congress, what did you do? Did you try to do anything to make this country safer, to make certain that when I walk out on the streets of my town or send my little boy or girl to school, I have a little more peace of mind?

We have the ability; we have the opportunity. The question is whether we can summon the political will. One cannot turn on the television in this town, and probably in others, without seeing ads from one special interest group or the other that wants to get us tangled up in some theoretical debate about the second amendment and the future of gun control.

I hope this Congress, and particularly this Senate, can get beyond the theory into the reality. The reality is: Over 40 percent of Americans own guns; there are over 300 million guns now in our Nation of some 275 million people; and even the gun owners believe intensely in sensible and responsible gun control. They believe guns should be stored safely, that those who own them should know how to use them, and they should be kept out of the hands of the wrong people. That is a consensus among gun owners, not to mention those who do not own guns who feel even more strongly about the same issues.

I hope this Congress, which tends to lurch back and forth from minor but somewhat important issues, will focus on a major and very important issue: Making America a safer place.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANWR

Mr. MURKOWSKI. Mr. President, I would like to take this opportunity to address an issue that is very close to Alaska, Senator STEVENS, our Representative YOUNG, and myself. It represents the myth associated with ANWR and the realization that Alaska has been producing almost 25 percent of the total crude oil that has been produced in this Nation for the last 23 years or thereabouts.

I have here a map of Alaska that shows the pipeline and gives you a dimension of the magnitude of this particular area of our State. It is necessary that you recognize, as we address the disposition of allowing exploration in ANWR, that this was established as a responsibility that only Congress could address in releasing this particular area for exploration.

I am going to give you an opportunity to view a map of Alaska. Alaska is a pretty big piece of real estate. On a map, if you overlayed Alaska on the United States, it would extend from Canada to Mexico and from Florida to California. We have the Aleutian Islands that go out almost 2,000 miles. The breadth of the State from the pipeline alone at Prudhoe Bay to where the pipeline ends at Valdez is 800 miles. It is a big piece of real estate.

Until a few years ago, we had four time zones in the State alone. When Senator STEVENS or I go back to the State, we just begin our travel. We have a very small segment of the State that has a road system. This entire

western area is without any roads, with the exception of a few miles in Nome and Kotzebue, and the villages.

We are not connected to the continental United States, as you can see. Our neighbor to the right, Canada, constitutes a barrier—a foreign country; a good friend—from the rest of the United States. We have our southeastern part where our State capital is in Juneau, roughly 700 miles from our largest city, Anchorage. Our second largest city, Fairbanks, is 400 miles to the north of Anchorage.

I go into this detail because it is important, as we look at the issue of ANWR, to keep it in perspective. I am going to refer to the chart behind me because I think it represents an appropriate comparison.

Let me advise my colleagues of a couple facts.

One, ANWR is going to be in the budget. We are going to be addressing the budget in the coming weeks. It is going to be in there at an anticipated revenue forecast of about \$1.5 billion to the Federal Treasury. You can evaluate the pros and cons of that. It is also going to be in the Republican package that we are preparing to try to do something meaningful about the energy crisis in this country, which the current administration has not done. They have no energy policy, as evidenced by their inability to address what they are going to do with hydro.

Some want to tear the dams down. What are they going to do with the electric industry? Obviously, Carol Browner wants to close half a dozen coal-fired plants, with no indication where we are going to pick up the alternative. Our nuclear situation is such that we cannot address what we are going to do with our nuclear waste, yet the nuclear industry contributes 20 percent of our energy in this country.

If you look at gas, you may assume, as some do, that all we have to do is plug into it. If you read the National Petroleum Council report on gas, you have to recognize a harsh reality: We are using about 20 trillion cubic feet of gas a day. In another 10 to 15 years, we will be using 31 trillion cubic feet a day. We do not have the infrastructure to deliver the anticipated demand. It just isn't there. It is going to require over \$1 trillion—the industry figures \$1.5 trillion—in the next decade, and that is only if we have access to areas where we are likely to find gas.

Much of the overthrust belt—which is the Rocky Mountains—65 percent of that has been removed from exploration. So where do we go? We go offshore; we go to Louisiana; we go to Texas; we go, to some extent, to Colorado and Wyoming, but we do not have an aggressive plan.

But we have an opportunity, in my State of Alaska—a significant opportunity—and that is ANWR.

What is the significance of ANWR? ANWR is shown on this map in this little tight corner, over here by the Canadian border. It looks small on this map, but it is in proportion.

There are those who say: Good heavens, you are going to jeopardize this area for exploration.

What we, as Alaskans, have not been able to portray—because the media will not pick up on it, and people are evidently not interested enough to recognize the proportion here—this is ANWR. This is 19 million acres, as shown by this little spot up here. It is as big as the State of South Carolina, a pretty big hunk of real estate. What have we done with this?

In 1980, we made some permanent designations. We created the refuge, the arctic refuge: 9.5 million acres in perpetuity. We went up and created a wilderness: 8 million acres in this area that is shown on the map marked with the slices.

But we left for Congress's dictate 1.5 million acres, so-called 1002 areas, up here. The reason we left it is, Congress was concerned there might be major deposits of hydrocarbons in this area, just like there were in Prudhoe Bay.

Let's look at Prudhoe Bay for a moment because there is an interesting parallel here. Prudhoe Bay is where the oil development is today. Let's look at Prudhoe Bay today and let's look at the traditional oil development and a picture that is an actual scene showing Prudhoe Bay and the animal activity that surrounds the area.

I show you a picture taken some years ago, but it represents the heart of Prudhoe Bay. There you see the pipeline. You see the oil derricks, and you see the caribou.

There is a degree of compatibility there. The reason it is there, obviously, is nobody is shooting these animals; nobody is running them down. There are no snow machines. It is summertime. There is no threat. They feel very much at home.

These are nomadic herds that move in and out, but there is a compatibility. We have seen a tremendous growth in this western arctic herd since we developed this area. The reason we have seen that is there are no guns allowed in the area. These animals are protected. They prosper, as they should. To suggest somehow they are in jeopardy defies reality. When we started oil drilling in Prudhoe Bay, there were 3,000 or 4,000 caribou in this herd. There are over 18,000 today. That is just a fact associated with experience that we have already had. Prudhoe Bay's technology is 30 years old. We can do a better job if we are allowed in here.

What is the footprint going to be if we indeed are allowed to open up ANWR? The footprint is estimated by the industry to be 2,000 acres out of all of ANWR's 19 million acres. That is

what we are looking at. We are keeping the refuge, we are keeping the wilderness, and we are making a determination.

What does it look like when they are drilling in the area? This is what we would like to communicate to the American people. It is a pretty tough environment. There it is. We have a well under construction. This is not in ANWR because there is no entry or activity allowed. It is a typical scene in the Arctic in Prudhoe Bay. This is an ice road. They don't allow anything on the tundra in the summertime, but the ice roads stay there about 9 months of the year because you are way above the Arctic Circle, nearly 400 miles. It is a harsh environment.

That is a typical rig. When the disposition of this is made one way or the other, what is going to be left? Well, let's look at it in the summertime. Same site, summertime activity is gone; ice road is gone. There you have it, Mr. President: the tundra, a spigot; that's it.

I always think of my good friend, Senator Mark Hatfield. Mark Hatfield, it is safe to say, was a pacifist. He said: I will vote for ANWR any day of the year rather than send our troops in danger in the Mideast to keep oil flowing from neighbors we cannot count on.

All right. Where are we? This is an extraordinary chart. This marks from where our increasing oil exports are coming. Ironically, they are coming from Iraq. Last year, we imported 300,000 barrels a day from Iraq. This year we are importing 700,000 barrels a day. How many people remember 1990 and 1991? Do you know what happened over there? We fought a war. We fought a war to keep Saddam Hussein from invading Kuwait. What did that cost us? That cost us 147 American lives. We had 448 wounded. We had 23 taken prisoner. That is a cost.

We had another cost. What has it cost the taxpayers of this country since that war was over? What has it cost us in the last 10 years, from 1991 until today, to keep Saddam Hussein fenced in, enforcing the no-fly zone, enforcing, if you will, the embargoes, putting the fleet over there? We added it up. It is \$10 billion. That is what it has cost the American taxpayer: 147 lives, 448 wounded, 23 prisoners, \$10 billion.

Where are we getting our oil now? The fastest increasing imports are from our old buddy, Saddam Hussein. Isn't that ironic?

Look at the national security interests of this country. We are today 56-percent dependent on imports. When we fought this war, we were 47- to 49-percent dependent. I think the President will recall, in 1973, we had an energy crisis in the country. We called it the Arab oil embargo. We had gasoline lines around the block in this Nation. People were inconvenienced. So Congress acted. At that time we were 37-

percent dependent on imported oil. Congress set up the Strategic Petroleum Reserve and said we would never approach 50 percent. We are going to take action. We never got 100 days supply of oil in SPR. We got a 56-day supply. That is what it is now.

Now there are proposals we should take oil out of SPR for the national crisis that we have on oil prices. That is very dangerous because if you take it out of SPR, you still need more imported into the country. And your good neighbors, the Saudis and the Mexicans, know it; the Venezuelans, you have less leverage. If we are ever going to take anything out of SPR, we should have a certification from the Secretary of Defense that it does not jeopardize our national security because you can only pull about 4 million barrels a day out of SPR.

The point is—and it is a very important one—go very slow with the Strategic Petroleum Reserve because after that, you don't have a backup. So here we are, depending on Saddam Hussein today. I find it inexcusable. This administration has no energy policy. They hope this won't be an issue in the campaign. They hope the issue will go away, and they hope the Secretary of Energy is going to be successful in his efforts to go around with that tin cup and try and get more production.

Let's see what he has done so far. He went over to Saudi Arabia about 10 days ago and said: We have an emergency in this country. They said: Well, we will have a meeting on March 27. We will address greater oil production then. He said: No, you don't understand; we have an emergency now. We fought a war over here. We kept Saddam Hussein out of Kuwait. They said: I'm sorry. We are going to have a meeting on March 27, and we will address it then.

He got stiffed by the Saudis. So he went to Mexico and said: We need more production. The Mexicans said: Well, we appreciate that. We would like to help you, but you have been buying oil at \$11, \$12, \$13 a barrel. Our economy went in the bucket. Where were you? The Secretary said: Well, we bailed you out of the tesobonos. We had a tremendous refinancing commitment for Mexico. They said: Sorry. We got stiffed.

So where did the Secretary go next? Well, he went over to some of the other countries. Nigeria, you might get a little out of Nigeria. I don't know.

Here is the superpower of the world, a Nation that is the most productive and has become the most dependent on imported oil. Make no mistake about it, we have to conserve. We have to have alternative energy. We have to develop the technology, but we have to be realistic. If somebody drove here, somebody came in on an airplane, they are going back the same way. We don't have the technology now for hydrogen. Fuel cells won't do it. Four percent of

our energy is alternative. I wish it were more. Some of you came in here in a sports vehicle. Gasoline, at \$1.70 a gallon, is going to shoot a pretty good hole in a \$100 bill when you fill up that 40-gallon tank. What are we doing about it? We are hoping the problem will go away.

It is not going to go away. It is going to get worse. We are going to be held hostage again and again. So our alternative is greater production in the U.S. Keep the jobs at home, keep the dollars at home, and for heaven's sake, why can't we do it? We have the technology; we have the know-how.

We have a very active, extreme environmental community that is opposed to any resource development on public land, whether it be grazing, whether it be timber—timber, of course, is renewable—whether it be mining, whether it be oil and gas.

This administration doesn't have a policy. They want to tear down the dams. They won't do anything about nuclear. Nuclear is 20 percent of our energy in this country. They don't have a policy.

We are trying to do something about it. I am chairman of the Republican Energy Task Force. We have a legislative package, short-term, interim, and long-term. We are proposing to do away with the gasoline tax and not jeopardize the highway trust fund. It can be done. If gasoline gets up to \$2 a gallon, or thereabouts, I am of the opinion that we ought to do away with all of the tax. That is a little over 18 cents a gallon.

We have a positive approach. We are going to stimulate development and on public land and on offshore areas. We are going to stimulate development of our agricultural potential in ethanol. My good friend, Senator GRASSLEY, has been a proponent of that for some time. We need all the domestic sources of energy we can get—the sooner the better—to get off this kick of paying tribute to Saddam Hussein.

Do not be misled. We have an opportunity to open up an area. We can do it safely. We have the technology.

I am going to counter some of the myths that are associated with ANWR.

Some ask: What do you want to open this area for because all of this Arctic coast is available? It is not available. That is truly a myth. With the exception of the area between the Colville and the Ganning Rivers, which is owned by the State of Alaska—this little area in here—more than 1,000 miles of the Arctic coastline is closed. That is just the harsh fact.

What you have over here is a rather interesting piece of real estate because it happens to be an old naval petroleum reserve, now called the Petroleum Reserve Alaska.

For heaven's sake, if you can't initiate exploration of a petroleum reserve that was designated in the 1900s

or thereabouts, where can you? What an irony. There have been a few leases here. There is some production in there. But where the independents wanted to lease, the Department of Interior wouldn't put up the area for lease. As a consequence, that is an unrealistic statement. It is not factual because this is the Coastal Plain that borders clear around to here, and a very small portion is open. That happens to be State land. The Federal lands are not open. The Department of Interior won't issue a permit. They won't put up a proposed bid. That is just the fact.

Let's move a little further.

The State of Alaska will get 90 percent of the royalties.

That is not true. The royalties are split 50-50, just like they are in Oklahoma or Louisiana or any other State.

Somebody said Alaska's indigenous people are against all oil exploration in the Coastal Plain. That is very inaccurate. There are Inupiaq people in one Eskimo village called Katiavik that sits right here.

I have another chart that shows you a greater portion of where this little village is. It is the only community within ANWR. They strongly support onshore exploration for oil and gas. That is in their backyard.

Let me give you another example. We have a group called the Gwich'in near the Canadian border who are opposed to opening ANWR.

It is kind of interesting. I am going to ask that this be printed in the RECORD. The Gwich'in at one time offered to lease all of their land of 1.799 million acres to the oil industry for exploration. The only problem is the oil industry didn't find any interest there. So they didn't opt to purchase the leases. Maybe they should have. Since that time, the Gwich'in, for the most part, have been funded by the national environmental groups and the Sierra Club.

It is kind of interesting that one of the prominent members' names, Sarah James, is on the lease. They are free to choose. But, by the same token, the reality of what they were prepared to do at one time is kind of inconsistent with what they have chosen to do now.

This is a copy of the lease that I ask unanimous consent to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIVE VILLAGE OF VENETIE,

March 21, 1984.

To whom it may concern:

This letter is authorization for Donald R. Wright, as our consultant, to negotiate with any interested persons or company for the purpose of oil or gas exploration and production on the Venetie Indian Reservation, Alaska; subject to final approval by the Native Village of Venetie Tribal Government Council.

Edward Frank, First Chief; Allen Tritt, Second Chief; Virginia Henry, Sec-

retary; Gideon James, Treasurer; Lincoln Trill, Robert Frank, Sr., Lawrence Roberts, Sarah James, Calvin Tritt, Council Members.

NATIVE VILLAGE OF VENETIE

REQUEST FOR PROPOSALS FOR OIL & GAS LEASES

The Native Village of Venetie Tribal Government hereby gives formal notice of intention to offer lands for competitive oil and gas lease. This request for proposals involves any or all of the lands and waters of the Venetie Indian Reservation, U.S. Survey No. 5220, Alaska, which aggregates 1,799,927.63 acres, more or less, and is located in the Barrow and Fairbanks Recording Districts, State of Alaska. These lands are bordered by the Yukon River to the South, the Christian River to the East, the Chandalar River to the West and are approximately 100 miles west of the Canadian border on the southern slope of the Brooks Range and about 110 miles East of the Trans-Alaska Pipeline. Communities in the vicinity of the proposed sale include Arctic Village, Christian and Venetie. Bidders awarded leases at the sale will acquire the right to explore for, develop and produce the oil and gas that may be discovered within the leased area upon specific terms and provisions established by negotiation, which terms and provisions will conform to the current Federal oil and gas lease where applicable.

Bidding Method

The bidding method will be cash bonus bidding for a minimum parcel size of one-quarter of a township, or nine (9) sections, which is 5,760 acres, more or less, and a minimum annual rent of \$2.00 per acre. There shall be a minimum fixed royalty of twenty percentum (20%).

Length of Lease

All leases will have an initial primary term of five (5) years.

Other Terms of Sale

Any bidder who obtains a lease from the Native Village of Venetie Tribal Government as a result of this sale will be responsible for the construction of access roads and capital improvements as may be required. All operations on leased lands will be subject to prior approval by the Native Village of Venetie Tribal Government as required by the lease. Surface entry will be restricted only as necessary to protect the holders of surface interests or as necessary to protect identified surface resource values.

Prior to the commencement of lease operations, an oil and gas lease bond for a minimum amount of \$10,000.00 per operation is required. This bonding provision does not affect the Tribal Government's authority to require such additional unusual risk bonds as may be necessary.

Bidding procedure

Proposals must be received by 12:00 p.m. sixty (60) days from the date of this Request for Proposals, at the office of the Native Village of Venetie Tribal Government, Attention, Mr. Don Wright, S.R. Box 10402, 1314 Haldiver Way, Fairbanks, Alaska 99701, telephone (907) 479-4271.

Additional information

A more detailed map of reservation lands and additional information on the proposed leases are available to the bidders and the public by contacting Mr. Don Wright at the office identified above.

Dated this 2nd day of April, 1984.

Mr. MURKOWSKI. Mr. President, this lease is from the native village of

Venetie. It has the signatures of Sarah James and a number of others. It is dated April 2, 1984, and it specifically states that the acreage offered under the lease is 1,799,927.65 acres, U.S. Survey 5220.

That is where we are relative to the issue of some of the folks who feel that this is not in their interest, but by a long shot that is not all the people.

I point this out not to condemn the attitude of my constituents but just to point out a reality that at one time they were willing to sell their interest in leasing this land for oil and gas, and now, to a large degree, their public relations efforts are funded by the Sierra Club and others.

I will submit at a later time the specific financial contributions that are paid to the Gwich'in by the various environmental organizations.

What is happening in Alaska is a molding of our State into the image that much of America's environmental community would like to see established as opposed to the reality associated with the population of our State, some 700,000, and the fact that we are the new kids on the block. We have been a State for 41 years. We don't own our own land.

Here is the land ownership in Alaska, unlike Illinois or California or any other State. We have 368 million acres in our State.

What is it made up of? Let's look at private land ownership in our State: 5 million acres; less than 2 percent. Why is that? Because the Federal Government owns it. OK? We have 51 million acres of national parkland; 76 million acres of Fish and Wildlife land; 23 million acres of U.S. Forest Service; and 57 million acres of wilderness forever locked up.

How much is enough? Where is the balance?

This is the Bureau of Land Management alone controls 65 million acres. The State has 104 million acres in State land. The State is so lucky. It must have had a fortune teller. This little piece of land right here is what funds our State, the land it had when it became a State.

The Natives finally gave land to residents of Alaska. The Natives got 43 million acres. But the Federal Government owns our State. That is just the reality.

Some say we need to save ANWR for our grandchildren. We need to know if oil is there. If there isn't, it is not going to be developed. You have to find a lot of oil in Alaska before drilling. Otherwise you can't afford to drill it. If they cannot produce 5,000 barrels a day, the cost is not economical.

Prudhoe Bay came in. It is 30-year-old technology. It is a pretty big footprint. We went from there to Endicott. Endicott is up in this area.

The significance is that when it came on it was the tenth largest producing

field in the United States. It came in at a little over 100,000 barrels a day. Today, it is the seventh largest producing field. The footprint is 56 acres because it is all directional drilling from one spot. It makes sense in Alaska, but the costs are high. We could do a better job if we had an opportunity over here.

As a consequence of whether we need this oil now or later, we had better find out whether it is there or not. They can only do that through exploration. Then they can make a decision.

As a consequence of this, we run into one other argument, which really bewilders me because it is so unrealistic. They say, well, the Coastal Plain may only have a 200-day supply of oil, and that is not worth developing.

Let me tell you a little bit about it. First of all, Prudhoe Bay was supposed to have 9 billion barrels of oil. It has been producing now for 23 years. We have had a total of 12 billion barrels from Prudhoe Bay in the last 23 years. We were supposed to get 10 billion barrels. It is still producing at a million barrels a day. It is good for another 10 years with the technology that we have.

When you say this only has a 200, do you know what you are implying? An unrealistic argument because you are saying the rest of our domestic oil production would stop. That is totally unrealistic. A two-hundred-day supply, but that is assuming the rest of the oil is produced domestically in this country is going to stop. First of all, it is not going to stop; is it? That is an argument so full of holes that it defies imagination.

Let me show you what happens when we bring oil on line from Alaska and what it does to our imports because I think it states in no uncertain terms the reality associated with the opportunity we have now.

Let's recognize what has happened here. This body passed ANWR 5 years ago, in 1995.

The President vetoed it. Had he not vetoed it, today we would have had a lease sale and we would know what the prospects for a major discovery were. We might be within a very short time of production.

Somebody says opening ANWR will not have any impact. Wrong. Here is the proof. This chart identifies our imports in 1975, 1976, 1977, and 1978. They were going up dramatically, 6 or 7 million barrels a day. We developed Prudhoe Bay in 1976, the current field we have. We can see when it came on line and production increased, imports dropped dramatically, it was a major contribution. It was 2 million barrels a day, 25 percent of our total domestic production.

To open up Prudhoe Bay, it took this Senate meeting in this Chamber with a tied vote. Vice President Spiro Agnew broke the tie. That is why we have

Prudhoe Bay today. That is why we have production of 20 to 25 percent of our crude oil. That is reality.

Don't be misled by the myths. We are not going to destroy the Coastal Plain. We are not going to destroy the caribou. We are only going to allow activity in the wintertime when the caribou come through and calve. As the picture demonstrates, caribou are healthy for the most part. Do not suggest we cannot address our concern over the migratory Porcupine caribou herd; we can do it if given the opportunity.

Somebody says ANWR oil will be exported and not reduce our dependency. I have received a letter from BP that says they are curtailing their small amount of exported oil.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BP AMOCO CORP.,
Washington, DC, March 23, 2000.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, Washington, DC.

DEAR MR. CHAIRMAN: I would like to respond to your inquiry regarding BP Amoco's plans concerning Alaska North Slope oil exports. Pending completion of contracts due at the end of April, at this time we do not have subsequent plans to export.

We applaud the Administration and the Congress for its wisdom to permit the market to work and to remove an historical penalty imposed on Alaska North Slope oil. The West Coast is part of the global crude market. The ultimate destination of Alaskan crude has no effect on either West Coast supply or gasoline prices. Once our acquisition of ARCO is complete, we would expect to run all of our Alaska crude through ARCO's excellent West Coast refining and marketing network.

Sincerely,

LARRY D. BURTON,
Vice President.

Mr. MURKOWSKI. That situation may be resolved by the takeover by Phillips of ARCO. BP did not have on the west coast any refineries. ARCO did.

To make a long story short, with BP acquiring ARCO refineries, there will not be a surplus on the west coast. I think the amount varied. There were up to 60,000 barrels a day at one time. I have been assured as a consequence of the change, the purchase by Phillips of ARCO, that the little oil that was exported will be terminated simply because it will be utilized by BP in their refinery.

Some say any development in Alaska would be environmentally damaging. People might not like oil fields, but Prudhoe Bay is the best oil field in the world. We can do a better job if we can get into ANWR; there is no question about it.

They say the Coastal Plain is unspoiled. Let me say something about the Coastal Plain. It is not unspoiled. In one sense, there is an Eskimo village

there. Those people live there. There are a couple of radar sites that are, and for all practical purposes have been abandoned. This section of the State is pretty remote. One cannot find anything much more remote than this particular area of our State. It is probably one of the better areas if one were looking for less of an impact on mankind and animal-kind.

Some ask what will happen to the birds. Most of the birds are near the lakes. Birds come in, they migrate. The issue isn't that there are no birds in ANWR, because there are.

Some ask about the polar bears. They den on the ice; they do not come ashore. A few do. Do you know what we have done to save the polar bear? We don't allow the white man to shoot the polar bear in our State. You can't shoot them. That is the greatest threat they have. The native people can keep them for subsistence. A white man can go to Canada or Russia and take a polar bear. So that is a bogus argument. We are protecting the polar bear. To suggest a little exploration is going to threaten the polar bear is a specious argument.

This is what the press and the public do not digest. I guess we have a hard time communicating that reality.

Here is another picture of our friends taking a walk. Three bears are walking on top of the pipeline. Why are they walking on the pipeline? Because it is easier than walking in the snow. They don't get their feet cold or damp. It is just easier.

The predictions that were associated with developing Prudhoe Bay have not come true. They said: You are putting a fence across Alaska; the caribou and the moose will never cross it. When you put a hotline in permafrost, it will sink to China.

These things never happened. That pipeline is one of the construction wonders of the world. It has been bombed, shot at, dynamited, not to mention having withstood earthquakes. We had a bad accident with a ship called the *Exxon Valdez*. It was the fault of the crew. We had a 10-and-a-half-wide channel, and they ran on to a rock because they were drinking coffee and not paying attention. That is a harsh reality of that. Then they took on a little alcohol and everything was lost.

The public ought to understand reality. I would love to debate some of the extreme environmentalists because they don't know what they are talking about, but they won't give me the courtesy or the chance. They refuse to let me participate in any of their gatherings. We have a letter that gives an idea of the extent to which some of the environmentalists go to generate public opinion. They are entitled to that, but by the same token, we are entitled to communicate some of the tactics.

In a letter from the Sierra Club, Friday, January 2000, called "The New

Millennium Action Special Edition," it says:

This February 5th, the Sierra Club, together with the Alaska Wilderness League, the Wilderness Society, the National Audubon Society, is hosting another National Arctic Wilderness Week in Washington. Supporters from grass roots are key in protecting the Arctic National Wildlife Refuge and its fragile Coastal Plain. This gathering will help arm you with the skills and knowledge you need to build support in your community.

They give hands-on training. They will provide you with opportunities for training. You will learn how to intensify your skills in lobbying, message development, meetings, communications and legislative advocacy. All are worthwhile and appropriate.

It says further: We've got you covered.

That is the last paragraph: "We know your time is valuable so we don't ask you to cover all your expenses for the trip."

A trip from where? A trip from Alaska, that's where. It is expensive, about a \$1,000 to get here from Alaska. It also says that you need to pay a \$40 registration fee, but if you don't have it, some scholarships are available. Where does that money come from? The Wilderness Society and the Sierra Club of course:

We'll pay for your travel to Washington, DC, your hotel, two in a room, a continental breakfast each morning and several dinners. Unfortunately, space is limited so hurry up. To find out if you are eligible phone the Sierra Club.

I don't know any development groups that have that kind of money to do that kind of lobbying. Nevertheless, that is reality. It is fair game. Just make sure the public knows about it. Many of these people have never been to ANWR. That is what bothers me. I have been there. I take a group of Senators up there every year so they can see for themselves and make their own evaluation as they represent their State.

One of the things I will conclude with: If you are from the Northeast corridor and you are sick and tired of high prices for heating oil, you haven't seen anything yet. The Northeast corridor is just getting started. And here is why.

This is the harsh reality of where we are today. Our crude production is represented by this gray line. It is roughly 6 million barrels a day domestically, this is down from 7.5 million. So our crude production is dropping. It is dropping significantly. The crude oil production is dropping and the petroleum demand is going up. What is happening here is the crude oil production has dropped about 17 percent, and the petroleum demand, which is the black line, has gone up 14 percent. So we have a shortfall. So we have to make up the difference.

We have had the heating oil crisis in the Northeast corridor. There was an assumption we would have a cold winter. We didn't. There was an assumption we would have storage. A funny thing is, 20 percent of the crude oil storage in the Northeast corridor has been eliminated because it did not meet legitimate environmental concerns, as well as 15 percent of the heating oil storage. These are old tanks that didn't meet specs and were not rebuilt.

We have lost 37 refineries in this country in the last decade. Why? The refinery business is not too attractive for a lot of reasons. You have Superfund exposures, you have EPA requirements, you have a situation where the return on investment is questionable. Many of the majors have gone out of the refining business because of the consequences associated with that.

So you have a situation now where the Northeast corridor better look out for their high electric bills. This winter it was high heating oil bills, but it is going to be electric bills this summer. Only 3 percent of the Nation's electricity comes from oil-fired generating plants, but that is not true in the Northeast corridor. It is nearly one-third. New England relies on fuel oil for about a third of its power generation. Just a small handful of those plants will be setting the electric prices in the region during the periods of high demand. This is going to cost Northeast residents millions of dollars. So what do they want us to do about it? Do they want us to import more oil, or do they want us to relieve our dependence by producing safely and domestically?

The arguments I get from all of the Northeast groups: You can't open ANWR. You cannot do it safely. They are breathing the fire of the radical environmental movement that wants three things: They want a cause, they want dollars, and they want membership. They sell America short—especially America's ingenuity and our technical ability. The fact is, we can produce energy here at home. They will not debate me. They refuse, they absolutely refuse.

So this is what is going to happen in the Northeast corridor. I hope the newspapers and their editorial writers start figuring this out because it is going to happen. Remember when you heard it first.

Electricity establishes a rate structure from a uniform price. Under that method, the central dispatchers first tap generation offering to sell electricity at the lowest price. But as the demand goes up, air-conditioning use goes up, and you are going to see the more costly generating powerplants come on line. Those are the ones that are oil fired.

The power purchasers pay all bidders the price charged by the last powerplant called into service. In many

cases, the final unit will be an old, oil-fired plant which will charge a rate higher because of the higher oil prices. All other non-oil-burning plants will reap a windfall profit because they will be paid as if burning oil. That is the way the process works. I hope somebody can take heed of what I am telling you. New England relies on 30 percent fuel oil for its own power generators.

What do they want us to do? They say: Alternative energy. Fine. Let's do it. What are we going to do? Four percent is what we produce currently.

Let's spend more on development. We are. We do not have the hydrogen technology yet.

In the meantime, we have an opportunity for domestic relief, and I implore those people up there to seize that opportunity. It is as if they are born with their eyes closed, and they keep them closed to the reality that we can open these areas safely. They say: The Senator from Alaska comes to the floor and his motivation is selfish.

Sure, I represent my State. Sure, this is in my State. But my State doesn't consume it. Sure, we get half the revenue, just like Oklahoma or any other area. But this is domestic energy for domestic jobs paying domestic taxes and providing for the national energy security of this Nation.

Some of these other folks would rather have us import it from Saddam Hussein. That is where it is coming from, 700,000 barrels a day, from a country where we lost 147 servicemen fighting a war.

So we are going to be facing higher prices. Non-oil-burning plants are going to reap a huge windfall. New England is going to take it and they are going to scream and ask why we are not doing something about it. It has been estimated an oil plant that offered electricity at \$37 a megawatt hour for power 1 year ago is probably going to be seeking a price of \$75 or more because they are going to have to buy oil on the open market. Remember, oil has gone from \$10 to over \$30. That is significant.

There are a couple of other factors a lot of people overlook. There is an inflation factor. They figure every time oil goes up \$10, it contributes about ½ percent to inflation. We have seen the truckers come to Washington. They came twice. Do you know why they were here? Because they cannot pass on the increased price of diesel fuel. They are stuck. They are going out of business.

Wait until you see the farmers when they start fueling up to plant their crops. They are going to be screaming. They will be driving their tractors to Washington. They will want relief. The relief of this administration is to go beg for more oil production in the Mideast. I find it inexcusable.

We concern ourselves with the deficit in the balance of payments, \$300 billion

a year. That means we are buying more from countries than they are buying from us. But of the \$300 billion, \$100 billion is the cost of imported oil. We are sending our jobs overseas. We have seen employment in the domestic oil industry drop dramatically.

It is important that Members understand what has happened to this country and to our ability to maintain a growing industry that we have become so dependent on, and what a poor job we have done on it. What we have done, under this administration, is to simply import more oil, propose more taxes. I think the administration's tax proposal is about \$2.5 billion this year.

We have seen the gas tax, 4.3 cents a gallon. I would like to do a little short review because I remember 1993. I remember when the Republicans lost control of this body and the Democrats took control and the administration came in with a huge Btu tax—British thermal unit—a tax on energy. We defeated that tax then. It is a good thing we did. But we also had a 4.3 cent-per-gallon gas tax and that was not going to go into the highway trust fund. That was proposed to go into the general fund.

We had a vote. Every Republican voted against it. We had six Democrats join us. The vote was tied. Vice President AL GORE broke the tie, and that is why we have the 30-percent increase in the gas tax that went on in 1993 at 4.3 cents a gallon. Our Vice President, who broke that tie, deserves accolades, if you will, because he bears that responsibility. We are living with it today, and it has cost the taxpayers somewhere in the area of \$43 million.

That gives us some idea of the background of how we got to where we are and what kind of a policy this administration has toward our energy crisis. They hope it will go away. There is so much finger pointing around here that one cannot believe it.

The Secretary of Energy the other day said an interesting thing. He said: We were caught by surprise; we were caught napping.

Come on. Let's recognize facts, and facts are that in 1994 the independent petroleum producers were concerned about our dependence on imports. They solicited Secretary Brown under the Trade Expansion Act and asked him to do an evaluation of the national security risk, and he did. As a consequence of that, even the President acknowledged our energy dependence on the Mideast and our oil imports affect the national security interests of the Nation.

He did that. What happened? Nothing. There was no relief. So we went along even more. In any event, nothing was done. Time went on. We became more dependent. As a consequence, we found ourselves in a situation last March where many of us became concerned. We became so concerned that

we wrote a bipartisan letter to the Secretary of Commerce, Secretary Daley.

I have the letter dated March 21 to our President. I am going to quote what he said in November after he received the report from the Department of Commerce by Secretary Daley. He said:

I'm today concurring with the Department of Commerce's finding that the Nation's growing reliance on the imports of crude oil and refined petroleum products threaten the Nation's security because they increase U.S. vulnerability to oil supply interruption.

He was on notice in 1994.

To bring my colleagues up to date, in March of last year a bipartisan letter went to Secretary Daley asking him to again initiate, under the Trade Expansion Act, an evaluation of the danger to our national security because of our increased dependence on imports. That was done. It was delivered to the White House in November of last year, and the White House either did not open their mail, sat on it, or put it at the bottom of the stack. In any event, they have refused to release that report.

Clearly, it is going to say the same thing. The national security of our Nation is at risk because of our increased dependence on imported oil. I am told we are looking at billions of dollars of increased appropriations this year for the military so they can have fuel for our defense. We have another case of this administration refusing to recognize reality. It is as though they want to get out of town before this becomes a political issue or before the American people understand the danger of what is happening because of our increased dependence on imported oil.

The chairman of the Armed Services Committee, JOHN WARNER, the chairman of the Foreign Relations Committee, JESSE HELMS, our majority leader, TRENT LOTT, and I as chairman of the Energy and Natural Resources Committee, all wrote a letter to the President asking him why he has not opened that report he received in November from the Secretary of Commerce. We asked why he has not shared that with the American people, and to tell us whether our national security is at risk because of our increased dependence, again on our old buddy, Saddam Hussein. How ironic. What goes around comes around.

Last year, we had 300,000 barrels a day from Saddam Hussein; this year, 700,000 barrels a day. The fastest growing source of our imports is coming from Iraq. I will say it again and again and again. In 1991, we lost 147 lives, 448 soldiers were wounded, 23 were taken prisoner, and the U.S. taxpayers paid \$10 billion to fence in Saddam Hussein.

Where does this oil go? It goes to the United States—to you and me, and for our airplanes and cars. Where does the money go? Do you think it goes to the people of Iraq? It goes to Saddam Hussein who controls the flow of that

money. Do you know where most of it goes? It goes to the Republican Guard that guards him and keeps him alive. He has probably had more assassination attempts than we know. But he takes good care of those people. How does he do it? He has one source of cash-flow—oil. I just cannot accept the policies of this administration to enrich that man.

We have the farmers, and we have the truckers. Mr. President, have you flown lately? Have you looked at your airplane tickets? They put on a surcharge. Nobody can figure out what the ticket costs anyway. If it is a short trip, it is \$20. If it is a long trip, it is \$40.

Have you received a FedEx package lately? There is a surcharge added.

Pretty soon, the American people are going to wake up. A surcharge is going to be on everything. They say: Oil really hasn't affected inflation. Don't be too sure it has not hit yet.

Do my colleagues think we will get relief? We will see what happens on Monday. Anything that happens on Monday is 8 weeks getting to your gas station. That is the harsh reality.

The policy of this administration is more imports. That is it. They never learn by history: 37-percent dependent in 1973; 47-percent dependent when we fought the war in the Persian Gulf; 56-percent dependent now; 65-percent, according to the Department of Energy, in the year 2015 to 2020. Does it behoove us to take action now? I think so.

I told you a little bit about exploration and production. Here is what happened in our employment in energy: 405,000 employed is down to 293,000. That is the position we are in.

Our oil production domestically dropped from about 7 billion to about 6 billion in this period of time because we don't have an aggressive posture. It is not that we do not have oil and gas. This administration will declare victory, I guess, on the 27th if OPEC releases more oil. But I think Americans are going to have to ask a basic question, a simpler question, and that is: Will the administration's actions decrease our oil dependence or increase it? That is the basic question, and the American people ought to understand it.

Next Monday is March 27, and they say there will be an increase in foreign production of another 1 million to 2 million barrels. Then the administration—the Secretary of Energy and the President—is going to claim victory. They will say: We have more oil.

How hollow, because it is going to increase our dependence, it is going to give them more leverage. We are going to have another crisis. They said OPEC could never get together and did not have the discipline. They did. They got together. They would rather sell their oil at a higher price than sell less oil, obviously. They would like to see it

somewhere at \$20 to \$25 to keep us on the hook. That is the thought.

I encourage the American people to ask: Is this in our national interest to swallow the administration's claim of victory? If indeed there is a significant increase coming, if we swallow the administration's claim of victory that it is in the Nation's interest to become more dependent on imported oil, or strike out with an aggressive posture based on American technology and American can-do spirit to develop resources at home in the overthrust belt in my State of Alaska?

I implore my colleagues who want to speak on behalf of America's environmental community, to know what they are talking about. I ask them to get up to ANWR and Prudhoe Bay and take a look at it. See what we have done and look at some other oil fields. Just do not take the word of the self-anointed environmental groups that have a mission. That mission is membership, dollars, and a cause.

I am not suggesting they do not make a significant contribution. The problem is that they refuse to recognize that we are going to be needing crude oil—petroleum products—for a long time. They refuse to recognize that we are better off developing domestically than importing it. They refuse to recognize where we are getting our imports, the significant role of our rock. They refuse to recognize the role of the lives we lost in the Persian Gulf war. They refuse to recognize we have done a pretty good job in developing oil and gas resources. We can do a better job, if given the opportunity.

I do appreciate the time that has been allotted to me today.

I think it is important to recognize that, in all honesty, we do not have an oil policy, we do not have an energy policy. I fear my colleagues from the Northeast are going to be exposed to substantial increases in electricity.

I have the obligation to proceed with electric reliability bills, electric restructuring. But the fact is, they are going to be dependent on fuel oil making electricity. The price is going to be a lot higher than they have ever had before. People are going to be asking, What are you doing about it to relieve the problem? I hope their answer is not solely to increase imports.

I again extend my willingness to travel to the Northeast corridor, my willingness to meet with the editorial writers of the Northeast papers that continually misrepresent facts. I encourage them to give us an opportunity to be heard. I encourage them to come on up and take a look and spend the money so they can objectively make recommendations and decisions upon those to whom they and their papers and their media extend themselves.

I would like them to know that our Governor, and our delegation would love to have you. We will treat you

with a level of hospitality that you will find quite suitable and quite comfortable. You might want to bring some long underwear though.

Give us an opportunity to contribute to this country.

The last thing I want to say is, we became a State in 1959. That was 41 years ago, or thereabouts. The rest of the country established their land patterns 100, 150 years ago. We are still trying to develop an economy. We have 700,000 people. We are trying to develop a university. We don't have any roads across our State. The Federal Government owns it. We are dependent on natural resources. Our fish are renewable. Our timber is renewable. We also have a lot of oil and gas.

MEASURE RETURNED TO CALENDAR—S. 2251

Mr. MURKOWSKI. Mr. President, on behalf of the leader, I ask unanimous consent that S. 2251 be placed back on the Senate calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S.J. RES. 14

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that at 1:30 p.m. on Monday the Senate begin consideration of S. J. Res. 14 regarding the flag desecration and it be considered under the following time agreement:

At 1:30 p.m. Monday, following the reporting of the resolution by the clerk, Senator MCCONNELL be recognized to offer an amendment in the nature of a substitute regarding a statute, and it be limited to 2 hours equally divided in the usual form, and an additional 30 minutes under the control of the Senior Senator from West Virginia, Mr. BYRD, with no amendments in order to the substitute, and, if agreed to, it be considered original text for the purpose of further amendments;

Further, following the debate on the McConnell amendment, Senator HOLLINGS be recognized to offer his first-degree amendment regarding campaign spending limits, with no amendments in order to the amendment and time limited to 4 hours equally divided in the usual form, with 1 of the 4 hours under the control of Senator MCCAIN;

Further, that no motions to commit or recommit be in order or any additional amendments;

Further, that at 9:30 a.m. on Tuesday, the Senate resume the Hollings amendment for up to 2 hours of their designated debate time, equally divided;

Further, that at 11:30 a.m. on Tuesday, there be up to 60 minutes equally divided between the chairman and the ranking minority member of Judiciary for general debate on the joint resolution;